

## Rep. Baird Fights for Permanent Sales Tax Fairness-Baird Working to Get WA Residents the Tax Deductions They Deserve- (October 26, 2005)

Washington, D.C. - Congressman Brian Baird today advanced his ongoing effort to make sales tax fairness permanent for Washington state taxpayers. Congressman Baird and Congressman Kevin Brady (R-TX) sent the following letter to Ways and Means Chairman Bill Thomas (R-CA) urging the Chairman to include sales tax fairness as part of his tax agenda for the 109th Congress. A bipartisan group of 61 Representatives signed onto Baird and Brady's letter.

"Making state sales tax deductibility a reality for 2004 and 2005 was a big win for Washingtonians, but now we need to make this deduction permanent," said Baird. "This year alone, sales tax deductibility will save Washington residents over \$500 million. This deduction benefits our state's economy in countless ways, and I will continue doing everything I can to make it permanent."

Congressmen Baird and Brady introduced the Permanent Sales Tax Deduction Act of 2005 earlier this year. During the 108th Congress, Congressman Baird successfully led a bipartisan, multi-state effort to pass legislation reinstating the sales tax deduction for Washingtonians for 2004 and 2005. This legislation enabled taxpayers in states where there is no income tax deduction, like Washington, to deduct state and local sales tax on their federal tax returns. Until this year, Washington state taxpayers were unable to take this sales tax deduction, while taxpayers in other states were able to deduct their state income tax.

"We believe that as long as taxpayers have the ability to deduct their state and local income taxes, then preserving the right of taxpayers to deduct their state and local sales taxes must also be part of the tax code," Congressman Baird and the other Representatives wrote Chairman Thomas. "We offer our assistance to ensure that meaningful deductibility continues to provide the tax fairness and economic stimulus that America deserves."

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October 26, 2005

The Honorable William M. Thomas

Chairman

House Committee on Ways & Means

1102 Longworth House Office Building

Washington, D.C. 20515

Dear Chairman Thomas:

As the House Ways and Means Committee continues its tax reform agenda for the 109th Congress, we would like to express our continued support for making permanent state sales tax deductibility. We believe that as long as taxpayers have the ability to deduct their state and local income taxes, then preserving the right of taxpayers to deduct their state and local sales taxes must also be part of the tax code.

We greatly appreciate your leadership and past efforts to ensure equity and fairness for all American taxpayers. A great success in this effort was reached last year with the inclusion of the Sales Tax Equity Act that was signed into law as part of your American Jobs Creation Act. The Sales Tax Equity Act restored fairness to the tax code by restoring for two years the deduction of state and local sales taxes in lieu of state and local income taxes.

The option for taxpayers in all states to deduct, using either tables created by the IRS or receipts, the higher of their state and local income or sales tax from the individual's federal income tax burden is a critical component of tax fairness. Sales tax deductibility also provides a direct economic boost to consumers, especially middle income families. Furthermore, studies show that thousands of new jobs will be created as a result of meaningful deductibility.

We have worked diligently with you over the past several years in a bipartisan effort to put fairness and equity back in our tax system. We offer our assistance to ensure that meaningful deductibility continues to provide the tax fairness and economic stimulus that America deserves.

Sincerely,

Brian Baird (D-WA)

Kevin Brady (R-TX)

Rick Larsen (D-WA)

Debbie Wasserman Schultz (D-FL)

Adam Smith (D-WA)

Harold Ford (D-TN)

Charles Gonzales (D-TX)

Jay Inslee (D-WA)

Jim Davis (D-FL)

Lincoln Davis (D-TN)

Shelley Berkley (D-NV)

Allen Boyd (D-FL)

Doc Hastings (D-WA)

Eddie Bernice Johnson (D-TX)

Al Green (D-TX)

Jim Cooper (D-TN)

Chet Edwards (D-TX)

Bart Gordon (D-TN)

Gene Green (D-TX)

Alcee Hastings (D-FL)

Silvestre Reyes (D-TX)

Corrine Brown (D-FL)

Ruben Hinojosa (D-TX)

Norman Dicks (D-WA)

Solomon Ortiz (D-TX)

Jim Gibbons (R-NV)

Mark Foley (R-FL)

Katherine Harris (R-FL)

Ander Crenshaw (R-FL)

Ron Paul (R-TX)

Jon Porter (R-NV)

Connie Mack (R-FL)

Tom Feeney (R-FL)

Jeff Miller (R-FL)

John Carter (R-TX)

Ginny Brown-Waite (R-FL)

Michael McCaul (R-TX)

Ric Keller (R-FL)

Randy Neugebauer (R-TX)

Kay Granger (R-TX)

Kenny Marchant (R-TX)

Marsha Blackburn (R-TN)

Michael Conaway (R-TX)

Barbara Cubin (R-WY)

William Jenkins (R-TN)

Sam Johnson (R-TX)

Dave Reichert (R-WA)

Clay Shaw (R-FL)

Zach Wamp (R-TN)

Pete Sessions (R-TX)

Ted Poe (R-TX)

Cathy McMorris (R-WA)

Michael Burgess (R-TX)

John Culberson (R-TX)

Joe Barton (R-TX)

Lamar Smith (R-TX)

John Duncan (R-TN)

Dave Weldon (R-FL)

Cliff Stearns (R-FL)

Ralph Hall (R-TX)

Michael Bilirakis (R-FL)

Mac Thornberry (R-TX)

Henry Bonilla (R-TX)  
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